

November 22, 2024

Via Email

Nathalie Hodge, Commissioner
Virgin Islands Board of Real Estate Appraisers
Office of Boards and Commissions
Department of Licensing and Consumer Affairs
3000 Golden Rock Shopping Center, Suite 9
Christiansted, St. Croix VI 00820-4311
Nathalie.Hodge@dlca.vi.gov

RE: ASC Compliance Review of Virgin Islands' Appraiser Regulatory Program

Dear Nathalie Hodge:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Virgin Islands appraiser regulatory program (Appraiser Program) on May 14-16, 2024, to determine the Appraiser Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

The ASC considered the preliminary results of the Review. The State chose not to provide a response to those results. The Appraiser Program is given an ASC Finding of "Not Satisfactory." The final ASC Compliance Review Report (Report) of the Virgin Islands Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must, at a minimum, adopt and/or implement all relevant AQB Criteria;²
- States must, at a minimum, adopt and/or implement all relevant AQB Criteria;³
- States must reconcile and pay registry invoices in a timely manner;⁴ and
- States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances.⁵

ASC staff will confirm appropriate corrective actions have been taken through off-site monitoring and a Follow-up Review in the next 6-12 months. The Virgin Islands will be moved to a one-year Review Cycle.

¹ 12 U.S.C. §§ 3331-3356.

² 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.

³ 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.

⁴ 12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.

⁵ 12 U.S.C. § 3347; Policy Statement 7 B.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in black ink, appearing to read "ZQM f'".

Zixta Q. Martinez
ASC Chair

Attachment

cc: Diane John, Special Assistant to Commissioner, Diane.John1@dlca.vi.gov
Sharene Gumbs, Special Assistant to Commissioner, Sharene.Gumbs@dlca.vi.gov
Christina Lake, Secretary, Boards and Commissions, Christina.Lake@dlca.vi.gov
Elissa Rock-Runyon, Board Chair, ElissaRunyon@gmail.com

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

**An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State Appraiser Program Compliance Review Report

ASC Finding: Not Satisfactory

Final Report Issue Date: November 22, 2024

Virgin Islands Appraiser Regulatory Program (State)

Virgin Islands Board of Real Estate Appraisers	PM: T. Lewis	ASC Compliance Review Date: May 14-16, 2024	Review Period: November 2022 to April 2024
Umbrella Agency: Virgin Islands Office of Boards and Commissions		Number of State Credentialed Appraisers on Appraiser Registry: 24	Review Cycle: One Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:		X					
States must, at a minimum, adopt and/or implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				Prior to reactivation, a credential holder in an inactive status must complete the continuing education (CE) that would have been required if the credential holder had been in active status. The State only requires credential holders to submit CE for the year immediately preceding the date of reactivation.	N/A	The State must amend its regulations to bring them into compliance and provide the ASC staff with quarterly updates on the progress of the amendments until finalized.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with ASC Policy Statement 1.
Statutes, Regulations, Policies and Procedures continued:		X					
States must, at a minimum, adopt and/or implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				Up to one-half of an appraiser's CE requirement may be granted for participation, other than as a student, in such activities as teaching or authoring a textbook. The State does not limit the amount of CE that may be acquired for these types of activities.	N/A	The State must amend its regulations to bring them into compliance and provide the ASC staff with quarterly updates on the progress of the amendments until finalized.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with ASC Policy Statement 1.
Temporary Practice:	X						
				No compliance issues noted.	N/A	None	None
National Registry:		X					
States must reconcile and pay registry invoices in a timely manner. (12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.)				The State had 20 outstanding Appraiser Registry invoices.	N/A	The State must develop a process to ensure National Registry of Appraisers invoices are reconciled and paid timely and provide the ASC staff with quarterly updates on the progress of reconciling the delinquent invoices.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with ASC Policy Statement 3.
Application Process:	X						
				No compliance issues noted.	N/A	None	None



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Umbrella Agency: Virgin Islands Office of Boards and Commissions		Number of State Credentialed Appraisers on Appraiser Registry: 24	Review Cycle: One Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Reciprocity:	X			No compliance issues noted.	N/A	None	None
Education:	X			No compliance issues noted.	N/A	None	None
Enforcement:		X					
States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances. (12 U.S.C. § 3347; Policy Statement 7 B.)				The State had 1 aged complaint, which was unresolved for more than 2 years without the exemption for special documented circumstances.	N/A	The State must ensure complaints are resolved timely and provide the ASC staff with a complaint log quarterly.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance with ASC Policy Statement 7.